

## Cold Spring Council Minutes

January 13, 2021

The January 13, 2021 special council meeting was called to order by Mayor Penque at 7:30pm.

### *Roll call:*

- Present (in-person): Mayor Penque, Chris Ampfer, Paul Kloeker, City Clerk Robin Morency, City Attorney Brandon Voelker, City Administrator Steve Taylor, and Public Works Director Ron Hitch.
- Present (via Zoom): Deanna Hengge, Lisa Cavanaugh, Cindy Moore and Police Chief Steve Collinsworth
- Excused: Adam Sandfoss

Chris Ampfer made a motion to enter into the executive session per KRS 61.810(1)(b), for acquisition of the Disabled American Veterans (DAV) property and per KRS 61.810(1)(c), regarding current threats of litigation, action to pursue legal action and intervene in legal proceedings, regarding the Disabled American Veterans property and any entities asserting an interest therein, including but not limited to the Campbell County Board of Education and/or its employees/agents. Paul Kloeker seconded the motion. All in favor. **Motion passed.**

After some discussion, Paul Kloeker made a motion to exit the executive session. Chris Ampfer seconded the motion. All in favor. **Motion passed.**

Brandon Voelker stated that during the executive session the city received confidential information regarding the entity that has an agreement with Neyer and the Disabled American Veterans for the development of the DAV property; the city is not able to reveal the name of the entity at this time. The city has received confirmation of the general nature of the medical facility, notably that they will pay taxes whether in the form of a lease payment and/or payments in lieu of taxes, that this development is the culmination of almost two years' worth of work since the city was notified that the DAV was leaving, that economic development is an essential function of city government and critical to its survival and providing services. Mr. Voelker stated that during the executive session they discussed the confidential nature of this development and what is proposed, and they received information regarding potential value and tax revenue. The DAV advised that they are agreeable to a purchase price of \$6,500,000.00 with the medical provider, the city and Neyer, and that they are under a nondisclosure agreement with the school district. Paul Kloeker made a motion to authorize the mayor to enter into any and all contracts necessary for the purchase of the DAV property, either with the DAV and/or Neyer, or directly with the medical provider so that the City of Cold Spring is able to purchase the property to ensure the construction of the medical facility with an estimated value of \$80,000,000 to \$85,000,000, an estimated 240 jobs with an annual salary average of \$85,000 to \$90,000, to provide for economic benefit to not only the City of Cold Spring but it's businesses in the form of new customers and/or other taxing districts, and that the purchase is pursuant to the request of development for the city to issue industrial revenue bonds and other similar financing or other, that will ensure payment of all applicable taxes. Mr. Voelker added that the City was approached over a year ago about IRBs (Industrial Revenue Bond) due to infrastructure needs on the property, including but not limited to the high-pressure gas line that runs through it, and that any discussions involving those IRBs have covered that it will be asked that they pay one-hundred percent of any taxes, whether the city is

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the owner or not. Chris Ampfer seconded the motion. Roll call vote showed 5 yeses and 0 noes. **Motion passed.**

Brandon Voelker stated the other discussion during the executive session was litigation; that there is a disagreement between the city and the school board as to which government should be allowed to own this property. The city's stance is that economic development is just as important to the community to ensure the livelihood of the city, it's residents and businesses and that they have the authority to purchase this property. Mr. Voelker stated that the school filed eminent domain action and accused the City of Cold Spring of colluding to purchase this property even though the city has been working with the DAV and developers for well over a year. Paul Kloeker made a motion to authorize the mayor and city attorney to file any legal actions and/or intervene in any legal actions regarding the city's purchase of the DAV property, including if necessary, legal actions through the intervention and/or pursuing legal actions against the Campbell County Board of Education and/or any employee or agent thereof. Chris Ampfer seconded the motion. Roll call vote showed 4 yeses and 1 no - Cindy Moore. **Motion passed.**

Brandon Voelker stated that Mayor Penque has executed an assignment of a purchase agreement with Neyer, as well as a memorandum of purchase agreement assignment with the DAV and Neyer. This sets up a period of time for the city, the medical facility and the DAV to determine if they want to proceed. Mr. Voelker said that the agreement in no way binds the city. Paul Kloeker made a motion to ratify the action of the mayor in entering into the assignment of purchase agreement with Neyer, as well as the memorandum of purchase agreement and assignment with the DAV. Chris Ampfer seconded the motion. Roll call vote showed 5 yeses and 0 noes. **Motion passed**

### *Adjournment:*

- Chris Ampfer made a motion to adjourn the meeting. Paul Kloeker seconded the motion. All were in favor. **Motion passed.**

Approved: 1/25/2021

City Clerk: 

Mayor: 

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